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South Carolina House of Representatives

Legislative Update

Robert J. Sheheen, Speaker of the House

Vol. 9

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House Week in Review

The House of Representatives gave final reading last week to H.4334, the Executive Cabinet bill, sending it to the Senate in time to beat the May 1 deadline for introduction of legislation. The General Assembly also made quick work of a three-bill economic incentive package, designed to strengthen South Carolina's bid for the location of a BMW plant in Upstate South Carolina. The legislation was ratified and sent to the Governor for his signature Thursday.

And despite a parliamentary struggle to keep the bill on the uncontested calendar, objections sent H.4521, the Consumer Freedom of Choice in Motor Vehicle Insurance Act, to the second reading contested calendar Wednesday.

By a 81-30 vote, the House gave third reading to H.4334, a joint resolution to restructure state government into a cabinet form of government. The joint resolution received the final House vote Tuesday, just days before the May 1 deadline. Under Senate rules, bills introduced in the House must be received by the Senate prior to May 1 or the legislation must receive a two-third vote of those senators present and voting to be placed on the Senate calendar for consideration.

Two of the three economic incentive bills were given special order status last week to assure their quick passage through the House. Both S.1484, which would set aside an additional \$10 million in gasoline tax revenue for an economic development project, and S.1388, a fee in lieu of taxes bill, received second reading Tuesday and third reading Wednesday. H.4480, which would add a \$25 million economic development project to the state bond authorization under the Ports Authority, was sent to a conference committee to iron out differences between the House and Senate on the proposal. After free conference powers were granted, the House adopted the free conference report, and the three bills were ratified as acts on Thursday.

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Although H.4379, the Energy Conservation and Efficiency Act, was set for special order consideration, the House adjourned last week without taking action on the legislation.

However, a couple of bills made headway in the legislative process. S.883, the Offender Management System bill, was set to a House-Senate conference committee. House conferees are Reps. Waldrop, Wofford and Vaughn. Senate members on the committee are Sen. J. Verne Smith, McConnell and Leatherman.

S.555, legislation expanding the authority of the statewide grand jury to investigate public corruption, was ratified as an act Tuesday. Prior to the legislation, the statewide grand jury was limited to matters concerning multi-county drug trafficking and obscenity cases.

However, by a 65-44 vote, the House voted to recommit S.494, a bill to reorganize the State Highway Department, back to the House Education and Public Works Committee. On April 22, the House recalled the Highway Department bill from the Education and Public Works Committee and placed it on the House calendar.

A busy joint assembly was held Wednesday to elect circuit court judges, trustees to the University of South Carolina and Clemson University boards and to honor the 1992 Folk Heritage Award winners.

Circuit Judges elected to the bench were Charles W. Whetstone, 1st Circuit; Rodney A. Peeples, 2nd Circuit; Paul M. Burch, 4th Circuit; Don S. Rushing, 6th Circuit; Thomas L. Hughson, 8th Circuit; Sidney T. Floyd, 15th Circuit, and John C. Hayes III, 16th Circuit.

Elected to the USC Board of Trustees were: Charles E. Simons III, James Bradley, Lily-Roland Hall, Helen C. Harvey, Eugene C. Floyd, Samuel R. Foster, J. Dupre Miller, and Herbert C. Adams. Trustees elected to the Clemson board included John J. Britton, Louis B. Lynn and Allen P. Wood.

Special Report: Automobile Insurance State by State

The following rankings came from the December 1991 report *State Average Expenditures and Premiums for Personal Automobile Insurance in 1990* published annually by the National Association of Insurance Commissioners. The report shows the estimated state average expenditures and average premiums per insured vehicle for private passenger auto insurance for 1987-1990.

Four tables are featured here. These include the state combined average premium trends, the state average expenditures, and the percentage of change that occurred by state from 1987 to 1990 in both combined average premiums and state average expenditures. The formula used to calculate these figures follows each table.

As the NAIC report notes, "It is important to point out that average expenditures and average premiums for automobile insurance in a state are affected by a number of factors, including: the underlying rate structure, the coverages purchased, the deductibles and limits selected, the types of vehicles insured, [and] the distribution of driver characteristics. In turn, the underlying rate structure is determined by the cost of providing coverage which is affected by a number of different variables, including: traffic conditions, the proportion of drivers in urban areas, the cost of living, wage and income levels, medical costs, law enforcement, road maintenance, vehicle theft and fraud, the legal system (including no-fault restrictions), premium taxes, auto repair costs, underwriting and loss adjustment expense factors, [and] socio-economic factors. Compulsory insurance laws, minimum financial responsibility limits and other state laws also affect the coverage and limits purchased."

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Private Passenger Auto Insurance
State Combined Average Premium Trends

<u>Rank</u>	<u>State</u>	<u>1990 Aver. Premium</u>
1	New Jersey	\$1164.52
2	Massachusetts	975.95
3	District of Columbia	937.40
4	Connecticut	879.39
5	California	872.33
6	Hawaii	862.15
7	Rhode Island	849.95
8	New York	847.38
9	Alaska	760.76
10	Delaware	732.37
11	Maryland	726.77
12	Nevada	717.34
13	Pennsylvania	707.96
14	Louisiana	706.06
15	Florida	691.67
16	New Hampshire	678.42
17	Michigan	669.06
18	Arizona	665.60
19	Georgia	655.53
20	Texas	631.88
21	Colorado	629.78
22	Illinois	588.68
23	New Mexico	582.51
24	SOUTH CAROLINA	577.92
25	Washington	577.56
26	Oregon	576.01
27	Maine	566.82
28	West Virginia	560.34
29	Mississippi	554.11
30	Tennessee	539.86
31	Oklahoma	537.62
32	Minnesota	537.20
33	Vermont	537.06
34	Alabama	527.59
35	Virginia	525.95
36	Indiana	525.61
37	Ohio	524.41
38	Missouri	524.22
39	Kentucky	512.11
40	Utah	496.38
41	North Carolina	496.04
42	Arkansas	481.13
43	Wisconsin	457.39

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<u>Rank</u>	<u>State</u>	<u>1990 Aver. Premium</u>
44	Montana	447.44
45	Idaho	444.68
46	Kansas	434.96
47	Wyoming	433.90
48	Iowa	394.59
49	North Dakota	383.57
50	South Dakota	382.17
51	Nebraska	376.92
	Countrywide	661.47

Combined Average Premiums = (Liability Average Premium + Collision Average Premiums + Comprehensive Average Premiums)

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PRIVATE PASSENGER AUTO INSURANCE
STATE AVERAGE EXPENDITURES
1990

<u>Rank</u>	<u>State</u>	<u>1990 Aver. Expenditure</u>
1	New Jersey	1,064.44
2	Massachusetts	865.58
3	District of Columbia	830.01
4	Connecticut	795.11
5	Rhode Island	757.90
6	California	751.32
7	Hawaii	747.90
8	New York	705.03
9	Maryland	671.68
10	Delaware	667.99
11	Pennsylvania	636.83
12	New Hampshire	635.64
13	Florida	630.28
14	Arizona	613.82
15	Louisiana	611.37
16	Nevada	607.83
17	Alaska	599.07
18	Texas	555.04
19	Michigan	553.07
20	Georgia	544.96
21	Colorado	539.40
22	Illinois	520.33
23	Oregon	507.41
24	Washington	501.64
25	Minnesota	485.39
26	New Mexico	477.00
27	SOUTH CAROLINA	476.22
28	Maine	475.85
29	Ohio	470.78
30	Mississippi	462.76
31	Virginia	462.42
32	Indiana	459.73
33	West Virginia	459.51
34	Vermont	459.30
35	Alabama	445.96
36	Missouri	445.21
37	Tennessee	442.83
38	Wisconsin	416.36
39	Oklahoma	415.33
40	Utah	411.62
41	North Carolina	409.84

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<u>Rank</u>	<u>State</u>	<u>1990 Aver. Expenditure</u>
42	Kentucky	407.23
43	Arkansas	383.89
44	Idaho	364.21
45	Kansas	350.96
46	Montana	344.66
47	Iowa	334.10
48	Wyoming	322.46
49	Nebraska	309.29
50	North Dakota	300.76
51	South Dakota	284.71
	Countrywide	573.90

Average Expenditure = (Total Premiums/Liability Car-Years)

Source: NAIC, "State Average Expenditures and Premiums for Personal Automobile Insurance in 1990," December 1991

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COMBINED AVERAGE PREMIUM TRENDS
BY STATE
1987-90

<u>State</u>	<u>'90 Rank</u>	<u>'87 Rank</u>	<u>1987-90 Percent Change</u>	<u>1987-90 Rank</u>
Alabama	34	33	15.6%	27
Alaska	9	9	15.8%	26
Arizona	18	16	15.4%	29
Arkansas	42	39	14.1%	39
California	5	3	14.5%	21
Colorado	21	23	19.7%	12
Connecticut	4	6	21.4%	9
Delaware	10	19	29.4%	4
District of Cola.	3	2	16.9%	25
Florida	15	10	8.0%	48
Georgia	19	18	3.2%	28
Hawaii	6	8	26.5%	6
Idaho	45	46	15.3%	31
Illinois	22	22	11.7%	44
Indiana	36	41	26.9%	5
Iowa	48	51	21.9%	8
Kansas	46	44	7.8%	49
Kentucky	39	38	19.2%	15
Louisiana	14	12	14.5%	35
Maine	27	42	37.4%	1
Maryland	11	13	19.1%	16
Massachusetts	2	5	31.9%	3
Michigan	17	15	12.6%	43
Minnesota	32	30	12.8%	42
Mississippi	29	27	14.6%	34
Missouri	38	28	9.6%	46
Montana	44	40	6.8%	50
Nebraska	51	49	13.1%	41
Nevada	12	14	19.0%	17
New Hampshire	16	17	18.9%	19
New Jersey	1	1	34.2%	2
New Mexico	23	24	18.4%	22
New York	8	4	14.4%	36
North Carolina	41	43	20.4%	10
North Dakota	49	50	15.2%	33
Ohio	37	36	19.6%	13
Oklahoma	31	25	9.5%	47
Oregon	26	31	22.4%	7
Pennsylvania	13	11	13.6%	40
Rhode Island	7	7	20.0%	11

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<u>State</u>	<u>'90 Rank</u>	<u>'87 Rank</u>	<u>1987-90 Percent Change</u>	<u>1987-90 Rank</u>
SOUTH CAROLINA	24	20	4.6%	51
South Dakota	50	48	14.1%	38
Tennessee	30	32	17.5%	23
Texas	20	21	15.3%	30
Utah	40	37	14.2%	37
Vermont	33	35	19.3%	14
Virginia	35	34	15.2%	32
Washington	25	26	18.8%	20
West Virginia	28	29	17.3%	24
Wisconsin	43	47	19.0%	18
Wyoming	47	45	20.7%	45
Countrywide			16.2%	

Combined Average Premium = (Liability Average Premium+Collision Average Premium+Comprehensive Average Premium)

Source: NAIC, "State Average Expenditures and Premiums for Personal Automobile Insurance in 1990," December 1991.

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State Average Expenditure Trends By State 1987-90

<u>State</u>	<u>'90 Rank</u>	<u>'87 Rank</u>	<u>1987-90 Percent Change</u>	<u>1987-90 Rank</u>
Alabama	35	33	14.4%	36
Alaska	17	19	23.4%	13
Arizona	14	14	18.6%	22
Arkansas	43	40	10.7%	43
California	6	7	25.2%	5
Colorado	21	23	23.1%	14
Connecticut	4	4	25.1%	9
Delaware	10	17	33.2%	2
District of Cola.	3	2	17.2%	27
Florida	13	9	8.5%	47
Georgia	20	18	12.0%	41
Hawaii	7	8	27.6%	6
Idaho	44	46	15.5%	32
Illinois	22	20	7.9%	48
Indiana	32	38	27.0%	7
Iowa	47	48	21.7%	17
Kansas	45	43	7.7%	50
Kentucky	42	42	22.3%	16
Louisiana	15	13	16.6%	29
Maine	28	37	30.3%	4
Maryland	9	10	18.7%	21
Massachusetts	2	3	31.4%	3
Michigan	19	16	7.9%	49
Minnesota	25	24	13.5%	40
Mississippi	30	31	17.3%	26
Missouri	36	28	11.4%	42
Montana	46	45	8.9%	46
Nebraska	49	49	14.3%	37
Nevada	16	15	18.1%	24
New Hampshire	12	12	19.3%	19
New Jersey	1	1	34.1%	1
New Mexico	26	29	19.8%	18
New York	8	6	16.1%	31
North Carolina	41	45	26.7%	8
North Dakota	50	50	16.6%	30
Ohio	29	30	19.1%	20
Oklahoma	39	36	10.3%	45
Oregon	23	26	23.8%	11
Pennsylvania	11	11	13.8%	39
Rhode Island	5	5	23.9%	10

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<u>State</u>	<u>'90 Rank</u>	<u>'87 Rank</u>	<u>1987-90 Percent Change</u>	<u>1987-90 Rank</u>
SOUTH CAROLINA	27	22	7.3%	51
South Dakota	51	51	14.4%	35
Tennessee	37	35	14.7%	34
Texas	18	21	22.8%	15
Utah	40	39	14.9%	33
Vermont	34	32	16.7%	28
Virginia	31	27	14.2%	38
Washington	24	25	17.5%	25
West Virginia	33	34	18.2%	23
Wisconsin	38	41	23.5%	12
Wyoming	48	47	10.6%	44
Countrywide			17.9%	

Average Expenditure = (Total Premiums/Liability Car-Years)

Source: NAIC, "State Average Expenditures and Premiums for Personal Automobile Insurance in 1990," December 1991.